



North Carolina Education Lottery Commission

Dr. Charles A. Sanders  
Commission Chairman

Tom Shaheen  
Executive Director

As Executive Director of the North Carolina Education Lottery, I welcome your interest in becoming a Lottery Retailer. This is a historic time for the State of North Carolina, and we would like for you to be a partner in helping to make this Lottery the most successful in the country. Our success depends on your success, and that is why we're committed to providing each of our Retailers with the necessary tools and marketing support to create a successful sales environment in each retail location.

Becoming a North Carolina Lottery Retailer will add a new dimension to your business as well as help raise millions of dollars to enhance education in North Carolina. The proceeds will be used to reduce class size, build schools and provide college scholarships to need-based individuals.

Our goal is to make the process of becoming a Retailer easily accessible to all interested businesses. After reading through this information, feel free to contact us with questions at 919-715-6886.

**Please return the completed application to: North Carolina Education Lottery, 111 Corning Road, Cary, North Carolina 27511.**

We look forward to a successful and cooperative relationship with you. Thank you for your interest, and good luck as a North Carolina Education Lottery Retailer!

Tom Shaheen  
Executive Director  
North Carolina Education Lottery

111 Corning Road  
Cary, North Carolina 27511  
56886 Mail Service Center  
Raleigh, North Carolina 27699-6886  
(919) 715-6886

## **GENERAL RETAILER INFORMATION**

### **1. Who can sell lottery tickets?**

Any North Carolina business can apply to the North Carolina Education Lottery (NCEL) to become a lottery game retailer. You cannot be engaged exclusively in the business of selling lottery tickets or shares or operating electronic computer terminals or other devices solely for entertainment. You can only sell tickets from a location that has been issued a certificate of authority from the Commission. A certificate of authority is required for each location owned and operated by a lottery game retailer. The certificate of authority must be conspicuously displayed at each location. The Director may not recommend contracting with a natural person under 21 years of age. In addition, the Director may not recommend contracting with a person who is not current in filing all applicable tax returns to the State, excluding items under formal appeal under applicable status. A lottery game retailer cannot reside in the same household as a member of the Commission, the Director, or any other employee of the Commission.

It is illegal to sell North Carolina lottery tickets without a contract or to sell tickets out-of-state or through the mail. It is also illegal to sell lottery tickets in North Carolina from any other lottery.

To be eligible to receive and hold a lottery contract a person shall not have been convicted of a felony within three years, and, if convicted of a felony before then, shall have had his citizenship restored. As part of the contracting process, the retailer is required by law to pass a tax check and submit to a criminal background check. A credit report will also be requested. A non refundable processing fee will be charged for these required financial and criminal background checks.

### **2. What makes a good retailer?**

Demand for lottery tickets will be great at the beginning. Once sales reach normal levels, the characteristics of retailers who tend to be the most successful include:

- Convenience and access to the public.
- Heavy volume of sales transactions.
- Repeat customers.
- Prominent point-of-sale display.
- Use of in-store promotions.
- Positive attitude toward the Lottery.
- Asking for the sale.

### **3. Why should I be a retailer?**

In addition to the profits made from selling lottery tickets, being a lottery retailer has several advantages:

- Service to your regular customers.
- Increased customer traffic for ticket purchases.
- Repeat traffic (from ticket sales and ticket prize redemptions).
- Increased sales of other store merchandise.
- Statewide Lottery advertising and promotional programs.
- Value as a contributing community member.
- FUN!!

**4. How much does it cost to become a retailer?**

There is an application fee of \$75.00 for a single retailer location and \$10.00 for each additional location.

**5. How do I get compensated for selling tickets?**

Retailers will receive a 7% sales commission in accordance with the Lottery Act. Instant tickets normally are produced in packs of 300 tickets. For selling a pack of 300 tickets, at \$1.00 per ticket, the retailer receives \$21.00 as a commission.

**6. What prizes does the retailer pay?**

North Carolina Lottery retailers shall pay prizes under \$600. As a lottery retailer, from a business standpoint, you probably do not want to send winners "with cash in their hands" to your competitors. You will quickly find that the more you pay winning tickets at your store, the more lottery business will come your way, and the more business that comes your way, the better your profit picture can become. Prizes paid by you will be automatically credited against your ticket purchases after validation through the electronic scanner.

Prizes of \$600 or more will be paid by the NCEL by mail, or at one of the lottery regional offices located throughout the state. A supply of claim forms for these larger prizes will be provided to you as a service for your lottery winners.

**7. What equipment do I need?**

The basic things required to sell lottery tickets will be provided to you by the NCEL. The list of items include compact locking ticket dispensers for your countertop so you can display your tickets to every customer who visits you. Advertising and promotional displays will also be provided and will be updated from time to time to reflect the current games being sold.

The NCEL is providing a state of the art computer terminal for selling online games and for validating and paying all winning tickets of less than \$600 at your location. The system is designed to protect you from paying altered or counterfeited tickets as well as crediting you for the winners you pay at your location.

**8. How do I get my tickets?**

The NCEL has a group of telephone representatives whose job is to call you each week to determine your ticket needs and take care of any questions you may have. Once an order is placed, your tickets will be delivered by a courier to your store. Your first ticket delivery (called a "ticket allocation") will be determined by the lottery based on your hours of operation and customer count. After a month or so, you will be able to gauge your weekly ticket needs with better accuracy. In the early weeks of lottery sales, however, it is a good idea to order the number of tickets suggested by your telephone representative. If you should find yourself in a "sold-out" situation with ticket buyers waiting at your door, you may also call the Lottery directly to place an emergency order.

**9. How do I have to pay for the tickets?**

The NCEL requires that all retailers deposit the proceeds from lottery sales in a separate electronic funds transfer (EFT) bank account for the preservation and transfer of lottery funds. The separate bank account must be specified "In Trust For The North Carolina Education Lottery." Funds will be withdrawn from that account by Electronic Funds Transfer (EFT). As a part of the application process, you will be asked to provide the Lottery with EFT bank account information.

**10. When will the instant game end?**

The instant game will always be a part of North Carolina's lottery game program. The NCEL intends to begin sales with at least four instant games for sale to the public. Over the coming months, we will have more instant games available to appeal to all of your customers and lottery players. These multiple games will offer a variety of game themes and prizes aimed at increasing your lottery sales.

**11. Will the Lottery train retailers?**

All retailers are required to attend a training session held in your region a few weeks before sales begin. You will find that selling lottery tickets is a straight forward procedure and requires little training for you and your staff. You will be instructed in the responsibilities of a retailer and will receive a manual that explains each of the policies and procedures you need to follow. After you complete the session, you may want to appoint someone on your staff to be the "in house" trainer for the rest of your employees and any new employees you hire. Evening sessions will be scheduled for your convenience.

## North Carolina Education Lottery Commission Retailer Highlights

- All applications must be received at the NCEL office no later than February 3, 2006, in order to be approved and installed by April 5, 2006.
- All lottery applicants must undergo background investigations which includes at a minimum:
  - Criminal background review
  - Tax filing status review
  - Financial credit review.
- Each retailer must establish a separate electronic funds transfer (EFT) bank account for the preservation and transfer of lottery funds. The separate bank account must be specified "In Trust For The North Carolina Education Lottery." Owners of multiple locations may establish one central account for all locations or establish separate accounts for each location. Form "B" must be completed and submitted with this application for **each** EFT account.
- Each lottery retailer must pay the NCEL the amount due (or credit owed) weekly via the aforementioned EFT account.
- A lottery retailer must not be exclusively engaged in the business of selling lottery tickets or shares; or operating electronic computer terminals or other devices solely for entertainment.
- Each lottery retailer must make the purchase of lottery tickets convenient and readily accessible during their normal business hours.
- Each lottery retailer must pay all prizes under \$600 during regular business hours.
- It is unlawful for a person to sell a lottery ticket or share to a person who is under the age of 18 years. No prize shall be paid to a person under the age of 18.
- Lottery retailers may sell lottery tickets for cash, check, debit card or gift card only.
- The purchase of lottery tickets utilizing credit cards, food stamps or electronic benefit cards (EBT) is prohibited.
- Each lottery retailer is solely responsible for the care, protection and security of lottery equipment and tickets issued to them.
- Each lottery retailer shall certify that they are in compliance with the Americans with Disabilities Act.
- Each lottery retailer is required to pay a telecommunications fee of \$15 per week for each location.
- Each lottery retailer will receive a 7% commission for each lottery ticket they sell.

## NORTH CAROLINA EDUCATION LOTTERY

### Dear Prospective Lottery Retailer:

Thank you for your interest in becoming a North Carolina Education Lottery retailer. You've taken the first step on a pathway to an exciting and rewarding venture as a lottery retailer. Lottery retailers statewide will have the opportunity to profit from the sales of lottery tickets and from additional sales of other products that come when lottery players are added to your regular store traffic.

Based on your indication of interest, enclosed is the North Carolina Education Lottery retailer application for your review and completion. The application contains the following sections:

<i>Form A:</i>	Business name, contact, identifying information and individual store locations (for chains)
<i>Form B:</i>	Bank Account for Lottery electronic fund transfer authorization (EFT)
<i>Form C:</i>	Retailer Contract
<i>Form D:</i>	Financial Guidelines and certification of receipt
<i>W-9</i>	Taxpayer Information Form as required by IRS
<i>Form E:</i>	Americans with Disabilities Self-Certification Form (ADA)
<i>Form F:</i>	Retailer background information listing names of business owners with disclosure
<i>Form G:</i>	Consent and Authorization for Release of Personal Background Information

This application to become a North Carolina Education Lottery retailer must be accompanied by a check or money order for \$75.00 plus \$10.00 for each additional location. The check or money order plus all of the forms must be submitted together. **ALL FORMS MUST BE FILLED OUT COMPLETELY.**

All lottery applicants must undergo background investigations. Form F requests information on all persons associated with the business who have a financial interest. Form G must be completed for each person listed on Form F. Please feel free to make copies of Form G form. This form must be signed in front of a notary.

If you have any questions, please contact us at (919) 715-6886. Once completed, please return your application by mail. Upon approval, you will be contacted to schedule installation of the terminal, in-store training, merchandising and ticket orders.

Again, we thank you for your interest in participating in the North Carolina Lottery. We look forward to our partnership as we work together to benefit North Carolina's future.

**The North Carolina Education Lottery**

# Retailer Application

FORM A  
Page 1

Please enclose \$75.00 for location application fee payable to the North Carolina Education Lottery  
\$10.00 for each additional location



\*\*\*\*\*PLEASE DO NOT WRITE IN THIS BOX\*\*\*\*\*

Date Received \_\_\_\_\_ Fee Received \_\_\_\_\_

Retailer Number \_\_\_\_\_ Processed By & Date \_\_\_\_\_

Application for (Check One) ☐ Independent Store ☐ Multiple Stores (Chain) ☐ Ownership Change of Existing Location

If this application is for a chain account, please select the appropriate type of billing:  
☐ Central Billing (one bank account) or ☐ Individual Billing (one bank account for each store)

Business/Retailer Name:

Store Physical/Delivery Address:

City: \_\_\_\_\_ County: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_ E-mail: \_\_\_\_\_

Contact Name, Title, & Home Phone:  
(for store location)

Mailing/Billing Address:

City: \_\_\_\_\_ County: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Contact Name, Title, & Home Phone:  
(for store location)

Hours of Operation: \_\_\_\_\_ Average Weekly Customer Count: \_\_\_\_\_

Type of Ownership (Check appropriate box):

☐ Sole Proprietorship ☐ General Partnership ☐ For Profit Corporation  
☐ Limited Partnership ☐ Nonprofit Corporation ☐ Other (Specify) \_\_\_\_\_

City Occupational ID: \_\_\_\_\_ State Tax ID: \_\_\_\_\_

Business Federal Tax ID: \_\_\_\_\_ Owner's Social Security #: \_\_\_\_\_

ABC Permit #: \_\_\_\_\_

Primary Business Type (circle only one):

01 Supermarket (more than 5 check stands)	11 Restaurant with Liquor &/or Beer License	41 Apparel and Accessory Stores
02 Grocery Store (5 or less check stands)	12 Restaurant without Liquor License	51 Special Events and Locations
03 Convenience Store	13 Fast Food	71 Liquor
04 Convenience Store with Gas Pumps	14 Club or Association	72 Bar
05 Convenience Store with Gas Pumps & Fast Food	21 General Merchandise	98 General Services
	31 Home & Auto Supplies	99 Other

If there is more than one owner, list the primary one here and the rest on the Retailer Background Information Form.

**Disclosure Information:** I understand that a false answer to any part of this application packet will be grounds for denial of a lottery retailer contract. I certify that all the information in this retailer application packet is correct to the best of my knowledge and belief.

**Applicant/Authorized Agent of Business/Organization**

Type or Print Name: \_\_\_\_\_ Phone: \_\_\_\_\_ Title: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**RETAILER APPLICATION INDIVIDUAL SELLING LOCATIONS FOR MULTIPLE STORE APPLICATION**

**FORM A**  
**Page 2**

*You may attach a separate list that includes the same information for each location in the same order.*

STORE NAME AND ADDRESS	COUNTY	AVERAGE CUSTOMER COUNT	HOURS OF OPERATION	PHONE	FAX:	CONTACT NAME, TITLE & HOME PHONE (FOR STORE LOCATION):





**North Carolina Education Lottery**

Retailer # \_\_\_\_\_

**ELECTRONIC FUNDS TRANSFER AUTHORIZATION (EFT)**

I HEREBY AUTHORIZE the North Carolina Education Lottery to make automatic withdrawals or deposits each week from or into my business checking account which is at the following Depository Financial Institution (DFI) (name of your bank) \_\_\_\_\_ in (City) \_\_\_\_\_ and authorize the DFI to charge such withdrawals or deposits to my listed account. Adjusting entries to correct errors and to collect additional charges, which may include penalties and/or interest, are also authorized.

It is agreed that these withdrawals, deposits and adjustments will be electronically made by the Electronic Fund Transfer System (EFT) under the rules and regulations of the North Carolina Education Lottery and the National and Local Automated Clearing House (ACH) Associates. I understand that this authorization will remain in effect until thirty (30) days advance notice of termination or change of account is given to the North Carolina Education Lottery. I HAVE ATTACHED A VOIDED CHECK (No deposit slips) TO THIS FORM FOR THIS ACCOUNT.

☐ Check this box if this is to change the account used for an existing retailer account. (Retailer # \_\_\_\_\_)

Account Name as Shown at DFI (Business name as shown on your bank account):

Business Name ("Doing Business As") (This is the name recognized by the public and reported on your North Carolina Education Lottery Retailer Application under the "Retailer Name" space. This name MUST be registered with your bank.):

Street Address (physical address of business where you sell North Carolina Education Lottery products.):

City:

State:

Zip Code:

Signature of Authorized Party (Must be the same as the signature on the bank account, an authorized representative of the business.)

Sign Here:

Print Name Here:

Date:

**STAPLE VOIDED CHECK HERE FROM THE ACCOUNT TO BE USED FOR EFT**

**DO NOT USE A DEPOSIT SLIP**

Please do not write in this area  
Retailer #: \_\_\_\_\_

**NORTH CAROLINA EDUCATION LOTTERY GAME  
RETAILER CONTRACT**

**Definitions**

1. **Act** - General Statute, Chapter 18C, North Carolina State Lottery Act.
2. **Commission** - the North Carolina Education Lottery, the North Carolina State Lottery Commission (NCEL).
3. **Commissioner** - a member of the commission.
4. **Executive Director**, or **Director** - the persons selected by the Commission to be the chief administrator of the North Carolina Education Lottery.
5. **Game** or **lottery game** - means any procedure or amusement authorized by the Commission where prizes are distributed among persons who have paid, or unconditionally agreed to pay, for tickets or shares that provided the opportunity to win those prizes and does not utilize a video gaming machine as defined in G.S. 14-306.1 c.
6. **Person** -any natural person or corporation, limited liability company, trust, association, partnership, joint venture, subsidiary, or other business entity.
7. **Retailer**, **lottery retailer**, or **lottery game retailer** - a person with whom the Commission has contracted to sell tickets or shares in a lottery game.
8. **Share** - any method of participation in a lottery game, other than by ticket purchased on an equivalent basis with a ticket.
9. **Ticket** -any tangible evidence authorized by the Commission to demonstrate participation in a lottery game.

A lottery game retailer agrees to abide by the following terms and conditions for selling lottery tickets. Violation of any of these terms and conditions may result in the Commission terminating the lottery game retailer's contract and revoking its certificate to sell North Carolina Education Lottery products.

1. A lottery game retailer shall comply with all provisions of the Act.
2. The Commission will not contract with a natural person under 21 years of age.
3. A lottery game retailer must not be engaged exclusively in the business of selling lottery tickets or shares or operating electronic computer terminals or other devices solely for entertainment.
4. A lottery game retailer may not reside in the same household as a member of the Commission, the Director, or any employees of the Commission.
5. No lottery retailer or applicant to be a lottery retailer shall pay, give, or make any economic opportunity, gift, special discount, favor, hospitality, or service, excluding food and beverage having an aggregate value not exceeding one hundred dollars (\$100) in any calendar year, to the Director, to any or employee of the Commission, or to any member of the immediate family residing in the same household as one of these individuals. Members of the Commission shall be subject to the Commission's approved code of ethics.

6. A lottery game retailer must be current in filing all applicable tax returns to the State and in payment of all taxes, interest, and penalties owed to the State, excluding items under formal appeal under applicable statutes.
7. A lottery game retailer is subject to a background check as designated by the Commission.
8. To be eligible to receive and hold a lottery contract a person shall not have been convicted of a felony within three years, and, if convicted of a felony before then, shall have had his citizenship restored.
9. A lottery game retailer will notify the Commission 30 days prior to any change in location (prior to the move), financial status or ownership of 10% or more (*i.e.* a change in officers, directors, partnership, or sole proprietor required to be listed on the application).
10. Any change in ownership of 51% or greater requires a new application fee.
11. If a lottery game retailer is convicted of a felony or gambling-related offense under federal law or the law of any state, the Commission must be notified in writing by the lottery game retailer within 10 days.
12. A lottery game retailer will make the purchase and redemption of lottery tickets convenient and readily accessible to the public. Lottery tickets will be available for sale during the lottery game retailers normal business hours; the lottery game retailer agrees to provide for the redemption of winning tickets during the same hours, up to the amount established by the Commission and subject to the Commission's approved validation hours.
13. A lottery game retailer will offer any and all available instant games, as designated by the Commission, for sale to the public, at all times during the lottery game retailers normal business hours. The lottery game retailer will offer all on-line games as designated by the Commission for sale to the public at all times such games are available during the lottery game retailer's normal business hours.
14. A lottery game retailer will be charged a weekly telecommunication charge of \$15 for each location.
15. It shall be unlawful for a person to sell a lottery ticket or share to a person under the age of 18 years. No person under the age of 18 years shall purchase a lottery ticket or share.
16. No prize shall be paid to a person under the age of 18.
17. No ticket or share in a lottery game shall be sold or resold for more than the retail sales price established by the Commission.
18. A lottery game retailer may only sell tickets for cash, check, debit card, or gift card. Tickets cannot be purchased with credit cards, food stamps, or electronic benefit transfer (EBT) cards.
19. A lottery game retailer shall sell no lottery tickets or shares unless the retailer conspicuously displays a certificate of authority, signed by the Director, to sell lottery tickets or shares. The Commission shall issue a certificate of authority to each lottery game retailer for the purpose of display for each retail outlet owned and operated by the lottery game retailer. No certificate is assignable or transferable.
20. The lottery game retailer agrees to prominently display point-of-sale materials provided by the Commission and to display the ticket dispensers provided by the Commission for the sale of tickets in a prominent location near the cash register or checkout. Lottery game retailers may purchase their own dispensers. Lottery game retailers will make every effort to display Commission supplied exterior signage.

21. A lottery game retailer shall furnish an appropriate bond or letter of credit, if so requested by the Director.
22. A lottery game retailer is responsible for all tickets delivered to the retail location. The lottery game retailer is expected to provide lottery-approved security for all tickets and Commission property, and to immediately report any lost, missing, stolen, damaged, or altered tickets to the Commission. The lottery game retailer will also notify appropriate local law enforcement officials of any stolen tickets, or equipment and provide the Commission with a copy of the stolen ticket report.
23. The amount of compensation paid to lottery game retailers for their sales of lottery tickets or shares shall be seven percent (7%) of the retail price of the tickets or shares sold for each lottery game.
24. For the first 60 days after start-up instant ticket packs will be settled on the gaming system 5 days after packs have been activated by the lottery game retailer. Lottery game retailers will be required to pay for those packs at the close of the accounting week in which that 5<sup>th</sup> day occurs. For example: If a pack is activated on Monday it will settle on the following Friday and will be charged to the retailer at the close of the accounting week on Saturday. Beginning the 61<sup>st</sup> day after start-up, packs will settle 21 days after activation.
25. A lottery game retailer must make full financial settlement with the Commission every week via an electronic funds transfer (EFT) or other recorded financial instruments as authorized by the Commission and approved by the Director. The Commission may require full financial settlement more than once per week under certain conditions. The lottery game retailer is responsible for proceeds from the sale of all online game tickets sold that week and all instant ticket packs settle as noted in item 23 above. The Commission will notify the lottery game retailer of the amount due (or credit owed) each week. Lottery game retailers who have non-sufficient funds (NSF) to cover their weekly EFT amount, will be assessed a fee in accordance with the Lottery Retailer Financial Guidelines. A lottery game retailer may be required to supply a security deposit in an amount determined by the Commission. Repeated NSF's could cause a lottery game retailer's lottery certificate to be revoked and this contract to be terminated. All individuals listed as having financial interest in the business will be held responsible for the business's debts to the Commission.
26. A lottery game retailer will keep a complete and current set of records accounting for all of its sales of lottery tickets and shall provide it for inspection upon the request of the Commission.
27. A lottery game retailer will fully cooperate with any and all inspections and/or investigations conducted by the NCEL as it relates to NCEL business.
28. The lottery game retailer shall certify that they are in compliance with the American with Disabilities Act (ADA).
29. All the equipment and products supplied by the Commission remain the property of the Commission. Lottery game retailers will provide protection and care of all such equipment and products. The lottery game retailer must provide adequate power source to operate the gaming terminal. The lottery game retailer will immediately report stolen or damaged equipment to the Commission. Only Commission supplied or Commission approved products are to be affixed to or loaded into dispensers or placed on equipment. The Commission may remove the equipment, products, and supplies at any time, with or without notice.
30. A lottery game retailer may be required to maintain minimum weekly sales averages, which will be determined and communicated by the Commission.
31. A lottery game retailer agrees to abide by all applicable Commission policies and procedures. The Commission reserves the right to suspend, cancel, or terminate a lottery game retailer contract for any violation to this agreement.
32. During its normal business hours a lottery game retailer agrees to immediately validate and pay winning Lottery tickets under Six Hundred Dollars (\$600.00), and make NCEL claim forms available to players.

33. Under no circumstances shall a lottery game retailer condition the sale of Lottery tickets upon the purchase of any other goods or services or charge any player a fee for the services of validating or pay winning lottery tickets.

In signing this agreement, I acknowledge that I have read and understand the terms and conditions, agree to be bound by them as well as all official Commission rules and the Act. I certify that I am an agent of the lottery game retailer and I am duly authorized to enter into this contract on behalf of the lottery game retailer.

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Signature of Owner or Authorized Agent

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Date

**FINANCIAL GUIDELINES**  
**FOR NORTH CAROLINA EDUCATION LOTTERY GAME RETAILERS**

North Carolina Education Lottery (NCEL) lottery game retailers are subject to certain financial conditions, as stated in the North Carolina Education Lottery Retailer Contract. These conditions and guidelines described below detail the responsibilities of the lottery game retailer in order to ensure fair and equitable handling of all financial circumstances with regards to lottery game retailer accounts. Any deviation from these guidelines will be at the discretion of the Executive Director.

Each retail outlet must be approved by the Legal/Security division of the NCEL prior to obtaining a contract to dispense lottery products. A portion of this approval process includes a background check verifying the financial status of the individuals applying for the contract by obtaining personal and professional credit history. A report containing questionable or unresolved credit issues may cause the individual to be subject to a conditional status, requiring that a security deposit be posted in an amount determined by the NCEL based on anticipated or current sales. Questionable items may include debts sent to a collection agency marked as "unpaid," unresolved judgments, and personal or business bankruptcy. These guidelines are intended to be applied fairly to all applicants for a lottery contract.

In addition, personal credit reports on all owners may be run annually or as often as deemed to be necessary, to update the status of active retailers and decisions based on the results of new information may include the requirement of a security deposit according to guidelines.

Payment for lottery tickets is to be made via weekly electronic funds transfer (EFT) or more frequently as determined by the NCEL from the lottery game retailer bank account to the NCEL receiving account. It is the responsibility of the lottery game retailer to deposit all lottery proceeds into a designated bank account daily.

On the first occasion (Step One) of an "insufficient funds" EFT, a retailer will be contacted via telephone as well as notified in writing by the NCEL. A cashiers check or money order for the uncollected balance must be delivered to NCEL headquarters or an NCEL regional office within 24 hours. At the sole discretion of the Executive Director a business check may be accepted for payment depending on the circumstances. If payment is not received within 24 hours the lottery terminal will be disabled and instant ticket deliveries will cease until such time payment is received.

If a second (Step Two) "insufficient funds" EFT occurs within a six-month period, a charge of \$50.00 will be added to the lottery game retailer account. The lottery game retailer will be contacted via telephone as well as in writing. A cashiers check or money order for the uncollected balance plus \$50.00 must be delivered to NCEL headquarters or an NCEL regional office within 24 hours. At the sole discretion of the Executive Director a business check may be accepted for payment depending on the circumstances. The lottery terminal will be immediately disabled and instant ticket deliveries will cease until such time payment is received.

Any subsequent (Step 3) "insufficient funds" events within six-months of the second occurrence will result in a \$75.00 fee, disabling of the lottery terminal for up to 30 days, ceasing of instant ticket deliveries, and the settlement and retrieval of all instant tickets in the possession of the lottery game retailer. The lottery game retailer will be contacted via telephone as well as in writing. A cashiers check or money order for the uncollected balance plus \$75.00 must be delivered to NCEL headquarters or an NCEL regional office within 24 hours. A security deposit may be required to restore the lottery contract.

In addition, any lottery game retailer with two or more "insufficient funds" payments during a six-month period will be ineligible for any incentive programs that may apply to the periods of unsuccessful sweep attempts.

Any lottery game retailer may regain "good financial standing" with the completion of six successive months of successful EFT sweeps. "Good financial standing" allows a retailer to participate in incentive programs that may be in effect.

In the event that a lottery game retailer defaults on payment, individuals listed as having financial interest in the business (those individuals listed in the retailer application) will be considered financially liable for any outstanding balance owed to the NCEL at the time of default as well as all instant tickets and equipment not returned to the NCEL.

In the event that payment is not forthcoming after a period of 90 days from the date of default, the names of the responsible individuals will be forwarded to a collection agency for the purpose of collecting the debt. An unpaid debt may result in a listing on the personal credit history file of each individual financially associated with the defaulting lottery game retailer.

**Security Deposit (or surety bond) Guidelines:**

The minimum security deposit, if required to be posted by any potential NCEL lottery game retailer, is \$2,000.00; a higher deposit may be indicated and required for stores determined to have higher selling potential, which may be based in part on sales data from a prior NCEL lottery game retailer at the same physical location.

A deposit exceeding the minimum of \$2000.00 may also be required from those applicants with a significant number of negative items on credit reports. An appropriate security deposit will be determined after an appropriate background check is completed. All deposits will be held a minimum of 2 years after which time a new financial credit review will be conducted including the retailer's financial credit history with the NCEL. At the discretion of the Executive Director, the security deposit may be reduced or returned to the lottery game retailer pending the results of the financial credit review. Should a lottery game retailer terminate its contract with the NCEL and pay all funds due the NCEL, the security deposit will be returned to the retailer.



**NORTH CAROLINA EDUCATION LOTTERY  
Retailer Self-Certification of Compliance  
With the Americans with Disabilities Act**

Title III of the Americans with Disabilities (ADA) requires public accommodations to provide goods and services to people with disabilities on an equal basis with the rest of the general public. In order to be considered as a North Carolina Education Lottery (NCEL) retailer you must complete this form:

Please Print or Type:

Business Name: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Site Address: \_\_\_\_\_

City, State and Zip \_\_\_\_\_

Phone: \_\_\_\_\_

**Guidance**

**New Buildings:** If your facility was designed and constructed for first occupancy after January 26, 1993, your facility must comply with the ADA Accessibility Guidelines for building and facilities – Appendix A to Part 36 of the Code of Federal Regulations.

**Old Buildings:** If your building was designed and constructed for first occupancy before January 26, 1993, you should remove architectural and communication barriers where such removal is readily achievable. "Readily achievable" means easily accomplishable and able to be carried out without much difficulty or expense.

In determining which barriers should be removed first, you should consider the following priorities:

1) Take measures to provide access to the facility from public sidewalks, parking or public transportation. These measures include, for example, installing an entrance ramp, widening entrances, and providing accessible parking spaces; 2) Take measures to provide access to NCEL goods and services.

When a retailer can demonstrate that a barrier removal in its facility is not readily achievable, you must make North Carolina Education Lottery products available through alternative methods, if those methods are readily achievable. Such alternatives may include providing curb service and/or relocating activities to accessible locations.

The obligations to perform readily achievable barriers removal is a continuing one. If removal is not currently readily achievable, but becomes so in the future, it must be done then.

If alterations to facilities have been performed since January 26, 1992, the alterations must be readily accessible to and usable by individuals with disabilities. Alterations include but are not limited to remodeling, renovation, rehabilitation, reconstruction, historic restoration, changes or rearrangement in structural parts or elements and changes or arrangement in the planned configuration of walls and full-height partitions.

**RETAILER ADA SELF-CERTIFICATION**

I understand that failure to ensure that my facility is in compliance with Title III of the Americans with Disabilities Act may jeopardize my eligibility as a North Carolina Education Lottery Retailer. I certify that I have inspected my premises and that my facility is in compliance with Title III of the Americans with Disabilities Act.

Owner Name: \_\_\_\_\_  
Print or Type Name

Authorized Agent: \_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## RETAILER BACKGROUND INFORMATION

In order to conduct business as a North Carolina Education Lottery (NCEL) retailer, a background investigation will be conducted by the Legal Security Division of the North Carolina Education Lottery, as per General Statute Chapter 18C-120(2).

The following are items that will be required for the background investigation and must be provided to the North Carolina Education Lottery:

Each person named below must also submit a completed and notarized Consent and Authorization for Release of Personal Background Information form (Form G).

Please contact the Legal/Security Division at (919) 715-6886 if you need any clarification on this requirement.

If you do not have adequate space on the forms provided, please include the information on an attached sheet of paper with your name and date at the top of each page. *Additional information may be requested to complete the background checks.*

Disclose the names and requested information for all persons associated with the business who have a financial interest. Lottery Retailers must be at least 21 years of age. **All persons listed below must also complete form G and are subject to credit and criminal investigations. (Please print)**

<b>Name:</b>	<b>Date of Birth:</b>	<b>Social Security Number:</b>
<b>Name:</b>	<b>Date of Birth:</b>	<b>Social Security Number:</b>
<b>Name:</b>	<b>Date of Birth:</b>	<b>Social Security Number:</b>
<b>Name:</b>	<b>Date of Birth:</b>	<b>Social Security Number:</b>
<b>Name:</b>	<b>Date of Birth:</b>	<b>Social Security Number:</b>
<b>Name:</b>	<b>Date of Birth:</b>	<b>Social Security Number:</b>
<b>Name:</b>	<b>Date of Birth:</b>	<b>Social Security Number:</b>

List other current and previous business/enterprises in which you own/owned an interest.

DBA: \_\_\_\_\_ Business Type: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ From: \_\_\_\_\_ To: \_\_\_\_\_

DBA: \_\_\_\_\_ Business Type: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ From: \_\_\_\_\_ To: \_\_\_\_\_

**Please answer questions on Page 2 of this form.**

If you answer "yes" to any of the following questions, provide the information on a separate sheet of paper with your signature and date:

1. Has the business or any person having financial interest in the business ever been investigated, arrested, indicted or convicted for a violation of any law in North Carolina or any other state, whether misdemeanor or felony? If yes, provide details and information that include the nature and date of offense, date of conviction, if any, jurisdiction of offense, dispositions and any orders of the court. ☐ Yes ☐ No

2. Has the business or any person having financial interest in the business ever been investigated, arrested, indicted or convicted for a violation of any law in North Carolina or any other state, relating to gambling activities, whether misdemeanor or felony? If yes, provide details and information that include the nature and date of offense, date of conviction, if any, jurisdiction of offense, dispositions and any orders of the court. ☐ Yes ☐ No

3. Has the business or any person having financial interest in the business ever been the subject of an indictment? ☐ Yes ☐ No

4. Has the business or any person having financial interest in the business ever had a business or professional license from any state, suspended or revoked? ☐ Yes ☐ No

5. Is the business or any person having financial interest in the business currently charged with any crime? ☐ Yes ☐ No

6. Is the business or any person having financial interest in the business currently awaiting resolution of any violation of the law? ☐ Yes ☐ No

7. Has the business or any person having financial interest in the business ever failed to file Federal or State income tax reports of any kind? ☐ Yes ☐ No

8. Has the business or any person having financial interest in this business ever been licensed, contracted or authorized in any other state, whether by a governmental agency or business, to conduct any type of gaming or lottery activities? If yes, specify the states, type of activity and dates permitted to conduct this activity? ☐  
Yes ☐ No

9. Has the business or any person having financial interest in the business ever filed for bankruptcy, been placed into receivership or filed for court protection from creditors? If so, indicate when, the disposition and details of the situation. ☐ Yes ☐ No

10. Does the business now or has it ever had any financial interest in any companies, organizations or businesses involved in gaming or lottery activities in North Carolina or any other state? ☐ Yes  
☐ No

11. Does the business have any ownership or vested interest in any equipment being or to be leased, purchased or utilized by the North Carolina Education Lottery or any other state? ☐ Yes ☐ No

12. Does the business now or has it ever received any revenue or compensation from any person or organization involved with or associated with any gaming or lottery activities whether in this state or any other state? ☐ Yes ☐ No

13. Are there any questions regarding criminal, traffic, financial or conflict of interest which we have not asked of you, an associate/partner, corporate officer, director or member which may impact your background investigations? ☐ Yes ☐ No

Applicant/Authorized Agent/Signature \_\_\_\_\_

**CONSENT AND AUTHORIZATION FOR RELEASE OF PERSONAL BACKGROUND INFORMATION  
(MUST BE NOTARIZED)**

As a potential Retailer or current Retailer for the North Carolina Education Lottery (NCEL), or as an owner of same, I am required to furnish certain information for use in determining my qualifications. I hereby authorize NCEL to request a credit report, conduct a criminal background investigation, or conduct any other investigation as may be necessary to process my Retailer Application to become a NCEL Retailer. I authorize NCEL to share any such information, privileged, confidential or otherwise, necessary to consider the application to become a NCEL Retailer. I further consent to allow NCEL to use and share such information in all manner consistent with all applicable laws and necessary to effectuate, administer or enforce all rights, orders and obligations arising out of the relationship between the Retailer Applicant and NCEL. A photocopy of this release will be valid as an original thereof, even though said photocopy does not contain an original writing of my signature. This release will expire upon the final termination of my Retailer's contractual obligations with the NCEL.

This the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

Subscribed and sworn to before me, this the  
\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public

(NOTARY SEAL)

My commission expires: \_\_\_\_\_



## Request for Taxpayer Identification Number and Certification

Give form to the  
requester. Do not  
send to the IRS.

Print or type See Specific Instructions on page 2	Name (as shown on your income tax return)	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/ Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶ .....	<input type="checkbox"/> Exempt from backup withholding
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
List account number(s) here (optional)		

### Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

**Note.** If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number								
			+			+		
or								
Employer identification number								
			+					

### Part II Certification

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).

**Certification instructions.** You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the instructions on page 4.)

Sign Here	Signature of U.S. person ▶	Date ▶

### Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

**U.S. person.** Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

1. Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
2. Certify that you are not subject to backup withholding, or
3. Claim exemption from backup withholding if you are a U.S. exempt payee.

In 3 above, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

**Note.** If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes, you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

**Special rules for partnerships.** Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,

- The U.S. grantor or other owner of a grantor trust and not the trust, and
- The U.S. trust (other than a grantor trust) and not the beneficiaries of the trust.

**Foreign person.** If you are a foreign person, do not use Form W-9. Instead, use the appropriate Form W-8 (see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities).

**Nonresident alien who becomes a resident alien.**

Generally, only a nonresident alien individual may use the terms of a tax treaty to reduce or eliminate U.S. tax on certain types of income. However, most tax treaties contain a provision known as a "saving clause." Exceptions specified in the saving clause may permit an exemption from tax to continue for certain types of income even after the recipient has otherwise become a U.S. resident alien for tax purposes.

If you are a U.S. resident alien who is relying on an exception contained in the saving clause of a tax treaty to claim an exemption from U.S. tax on certain types of income, you must attach a statement to Form W-9 that specifies the following five items:

1. The treaty country. Generally, this must be the same treaty under which you claimed exemption from tax as a nonresident alien.
2. The treaty article addressing the income.
3. The article number (or location) in the tax treaty that contains the saving clause and its exceptions.
4. The type and amount of income that qualifies for the exemption from tax.
5. Sufficient facts to justify the exemption from tax under the terms of the treaty article.

**Example.** Article 20 of the U.S.-China income tax treaty allows an exemption from tax for scholarship income received by a Chinese student temporarily present in the United States. Under U.S. law, this student will become a resident alien for tax purposes if his or her stay in the United States exceeds 5 calendar years. However, paragraph 2 of the first Protocol to the U.S.-China treaty (dated April 30, 1984) allows the provisions of Article 20 to continue to apply even after the Chinese student becomes a resident alien of the United States. A Chinese student who qualifies for this exception (under paragraph 2 of the first protocol) and is relying on this exception to claim an exemption from tax on his or her scholarship or fellowship income would attach to Form W-9 a statement that includes the information described above to support that exemption.

If you are a nonresident alien or a foreign entity not subject to backup withholding, give the requester the appropriate completed Form W-8.

**What is backup withholding?** Persons making certain payments to you must under certain conditions withhold and pay to the IRS 28% of such payments (after December 31, 2002). This is called "backup withholding." Payments that may be subject to backup withholding include interest, dividends, broker and barter exchange transactions, rents, royalties, nonemployee pay, and certain payments from fishing boat operators. Real estate transactions are not subject to backup withholding.

You will not be subject to backup withholding on payments you receive if you give the requester your correct TIN, make the proper certifications, and report all your taxable interest and dividends on your tax return.

**Payments you receive will be subject to backup withholding if:**

1. You do not furnish your TIN to the requester,
2. You do not certify your TIN when required (see the Part II instructions on page 4 for details),

3. The IRS tells the requester that you furnished an incorrect TIN,

4. The IRS tells you that you are subject to backup withholding because you did not report all your interest and dividends on your tax return (for reportable interest and dividends only), or

5. You do not certify to the requester that you are not subject to backup withholding under 4 above (for reportable interest and dividend accounts opened after 1983 only).

Certain payees and payments are exempt from backup withholding. See the instructions below and the separate Instructions for the Requester of Form W-9.

Also see *Special rules regarding partnerships* on page 1.

## Penalties

**Failure to furnish TIN.** If you fail to furnish your correct TIN to a requester, you are subject to a penalty of \$50 for each such failure unless your failure is due to reasonable cause and not to willful neglect.

**Civil penalty for false information with respect to withholding.** If you make a false statement with no reasonable basis that results in no backup withholding, you are subject to a \$500 penalty.

**Criminal penalty for falsifying information.** Willfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

**Misuse of TINs.** If the requester discloses or uses TINs in violation of federal law, the requester may be subject to civil and criminal penalties.

## Specific Instructions

### Name

If you are an individual, you must generally enter the name shown on your income tax return. However, if you have changed your last name, for instance, due to marriage without informing the Social Security Administration of the name change, enter your first name, the last name shown on your social security card, and your new last name.

If the account is in joint names, list first, and then circle, the name of the person or entity whose number you entered in Part I of the form.

**Sole proprietor.** Enter your individual name as shown on your income tax return on the "Name" line. You may enter your business, trade, or "doing business as (DBA)" name on the "Business name" line.

**Limited liability company (LLC).** If you are a single-member LLC (including a foreign LLC with a domestic owner) that is disregarded as an entity separate from its owner under Treasury regulations section 301.7701-3, enter the owner's name on the "Name" line. Enter the LLC's name on the "Business name" line. Check the appropriate box for your filing status (sole proprietor, corporation, etc.), then check the box for "Other" and enter "LLC" in the space provided.

**Other entities.** Enter your business name as shown on required federal tax documents on the "Name" line. This name should match the name shown on the charter or other legal document creating the entity. You may enter any business, trade, or DBA name on the "Business name" line.

**Note.** You are requested to check the appropriate box for your status (individual/sole proprietor, corporation, etc.).

### Exempt From Backup Withholding

If you are exempt, enter your name as described above and check the appropriate box for your status, then check the "Exempt from backup withholding" box in the line following the business name, sign and date the form.

Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends.

**Note.** If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding.

**Exempt payees.** Backup withholding is not required on any payments made to the following payees:

1. An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2),

2. The United States or any of its agencies or instrumentalities,

3. A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities,

4. A foreign government or any of its political subdivisions, agencies, or instrumentalities, or

5. An international organization or any of its agencies or instrumentalities.

Other payees that may be exempt from backup withholding include:

6. A corporation,

7. A foreign central bank of issue,

8. A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States,

9. A futures commission merchant registered with the Commodity Futures Trading Commission,

10. A real estate investment trust,

11. An entity registered at all times during the tax year under the Investment Company Act of 1940,

12. A common trust fund operated by a bank under section 584(a),

13. A financial institution,

14. A middleman known in the investment community as a nominee or custodian, or

15. A trust exempt from tax under section 664 or described in section 4947.

The chart below shows types of payments that may be exempt from backup withholding. The chart applies to the exempt recipients listed above, 1 through 15.

IF the payment is for . . .	THEN the payment is exempt for . . .
Interest and dividend payments	All exempt recipients except for 9
Broker transactions	Exempt recipients 1 through 13. Also, a person registered under the Investment Advisers Act of 1940 who regularly acts as a broker
Barter exchange transactions and patronage dividends	Exempt recipients 1 through 5
Payments over \$600 required to be reported and direct sales over \$5,000 <sup>1</sup>	Generally, exempt recipients 1 through 7

<sup>1</sup> See Form 1099-MISC, Miscellaneous Income, and its instructions.

<sup>2</sup> However, the following payments made to a corporation (including gross proceeds paid to an attorney under section 6045(f), even if the attorney is a corporation) and reportable on Form 1099-MISC are not exempt from backup withholding: medical and health care payments, attorneys' fees; and payments for services paid by a federal executive agency.

## Part I. Taxpayer Identification Number (TIN)

**Enter your TIN in the appropriate box.** If you are a resident alien and you do not have and are not eligible to get an SSN, your TIN is your IRS individual taxpayer identification number (ITIN). Enter it in the social security number box. If you do not have an ITIN, see *How to get a TIN* below.

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, the IRS prefers that you use your SSN.

If you are a single-owner LLC that is disregarded as an entity separate from its owner (see *Limited liability company (LLC)* on page 2), enter your SSN (or EIN, if you have one). If the LLC is a corporation, partnership, etc., enter the entity's EIN.

**Note.** See the chart on page 4 for further clarification of name and TIN combinations.

**How to get a TIN.** If you do not have a TIN, apply for one immediately. To apply for an SSN, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration office or get this form online at [www.socialsecurity.gov](http://www.socialsecurity.gov). You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can apply for an EIN online by accessing the IRS website at [www.irs.gov/businesses](http://www.irs.gov/businesses) and clicking on Employer ID Numbers under Related Topics. You can get Forms W-7 and SS-4 from the IRS by visiting [www.irs.gov](http://www.irs.gov) or by calling 1-800-TAX-FORM (1-800-829-3676).

If you are asked to complete Form W-9 but do not have a TIN, write "Applied For" in the space for the TIN, sign and date the form, and give it to the requester. For interest and dividend payments, and certain payments made with respect to readily tradable instruments, generally you will have 60 days to get a TIN and give it to the requester before you are subject to backup withholding on payments. The 60-day rule does not apply to other types of payments. You will be subject to backup withholding on all such payments until you provide your TIN to the requester.

**Note.** Writing "Applied For" means that you have already applied for a TIN or that you intend to apply for one soon.

**Caution:** A disregarded domestic entity that has a foreign owner must use the appropriate Form W-8.



## Part II. Certification

To establish to the withholding agent that you are a U.S. person, or resident alien, sign Form W-9. You may be requested to sign by the withholding agent even if items 1, 4, and 5 below indicate otherwise.

For a joint account, only the person whose TIN is shown in Part I should sign (when required). Exempt recipients, see *Exempt From Backup Withholding* on page 2.

**Signature requirements.** Complete the certification as indicated in 1 through 5 below.

**1. Interest, dividend, and barter exchange accounts opened before 1984 and broker accounts considered active during 1983.** You must give your correct TIN, but you do not have to sign the certification.

**2. Interest, dividend, broker, and barter exchange accounts opened after 1983 and broker accounts considered inactive during 1983.** You must sign the certification or backup withholding will apply. If you are subject to backup withholding and you are merely providing your correct TIN to the requester, you must cross out item 2 in the certification before signing the form.

**3. Real estate transactions.** You must sign the certification. You may cross out item 2 of the certification.

**4. Other payments.** You must give your correct TIN, but you do not have to sign the certification unless you have been notified that you have previously given an incorrect TIN. "Other payments" include payments made in the course of the requester's trade or business for rents, royalties, goods (other than bills for merchandise), medical and health care services (including payments to corporations), payments to a nonemployee for services, payments to certain fishing boat crew members and fishermen, and gross proceeds paid to attorneys (including payments to corporations).

**5. Mortgage interest paid by you, acquisition or abandonment of secured property, cancellation of debt, qualified tuition program payments (under section 529), IRA, Coverdell ESA, Archer MSA or HSA contributions or distributions, and pension distributions.** You must give your correct TIN, but you do not have to sign the certification.

## What Name and Number To Give the Requester

For this type of account:	Give name and SSN of:
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined funds, the first individual on the account <sup>1</sup>
3. Custodian account of a minor (Uniform Gift to Minors Act)	The minor <sup>2</sup>
4. a. The usual revocable savings trust (grantor is also trustee)	The grantor-trustee <sup>1</sup>
b. So-called trust account that is not a legal or valid trust under state law	The actual owner <sup>1</sup>
5. Sole proprietorship or single-owner LLC	The owner <sup>3</sup>
For this type of account:	Give name and EIN of:
6. Sole proprietorship or single-owner LLC	The owner <sup>3</sup>
7. A valid trust, estate, or pension trust	Legal entity <sup>4</sup>
8. Corporate or LLC electing corporate status on Form 8832	The corporation
9. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
10. Partnership or multi-member LLC	The partnership
11. A broker or registered nominee	The broker or nominee
12. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

<sup>1</sup> List first and circle the name of the person whose number you furnish. If only one person on a joint account has an SSN, that person's number must be furnished.

<sup>2</sup> Circle the minor's name and furnish the minor's SSN.

<sup>3</sup> You must show your individual name and you may also enter your business or "DBA" name on the second name line. You may use either your SSN or EIN (if you have one). If you are a sole proprietor, IRS encourages you to use your SSN.

<sup>4</sup> List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the TIN of the personal representative or trustee unless the legal entity itself is not designated in the account title.) Also see *Special rules regarding partnerships* on page 1.

**Note.** If no name is circled when more than one name is listed, the number will be considered to be that of the first name listed.

## Privacy Act Notice

Section 6109 of the Internal Revenue Code requires you to provide your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA, or Archer MSA or HSA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. The IRS may also provide this information to the Department of Justice for civil and criminal litigation, and to cities, states, the District of Columbia, and U.S. possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not give a TIN to a payer. Certain penalties may also apply.